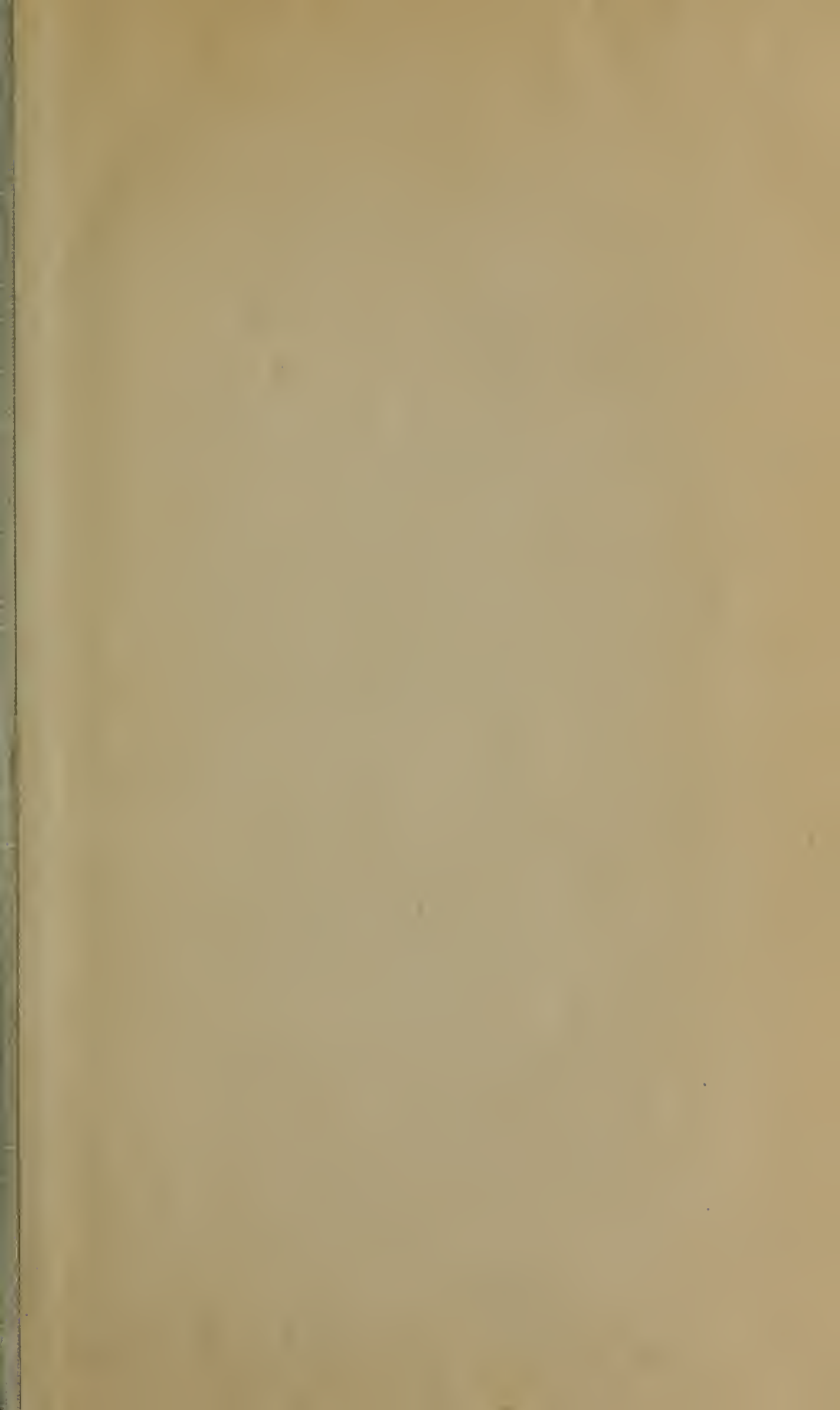


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THE CURRENCY.

SPEECH

OF

THE RIGHT HONOURABLE

SIR ROBERT PEEL, BART., M.P.,

IN

THE HOUSE OF COMMONS,

On TUESDAY, APRIL 23, 1833;

(ON THE MOTION OF MR. M. ATTWOOD, FOR A COMMITTEE TO INQUIRE INTO OUR PRESENT MONETARY SYSTEM, &c.)

[*Extracted from the MIRROR of PARLIAMENT.—Part CCV.*]

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1833.

HOUSE OF COMMONS,

TUESDAY, APRIL 23, 1833.

SIR ROBERT PEEL.—Although, Sir, I believe that I shall agree with my Honourable Friend (Mr. Baring) in the practical conclusion to which I shall come, and the vote I shall give on the present question, yet he propounded, in the course of his speech, some doctrines which excite in my mind so much doubt and apprehension, that I feel no scruple as to the propriety of immediately following him in the course of debate. I must begin by observing, that as my Honourable Friend is prepared to maintain the opinions expressed in the concluding part of his speech, it would have been but just and becoming in him to have abstained from those terms of contemptuous severity applied in the commencement of that speech to those with whom the present motion originated. My Honourable Friend although prepared rigidly to adhere to the standard, is yet willing to admit of, nay to advise, an inquiry into three very important alterations in the established monetary system: first, the union of silver with gold as a joint standard of value; secondly, permission to every country banker to offer as a legal tender, Bank of England notes in exchange for his own promissory notes; and thirdly, to sanction the re-issue of 1*l.* and 2*l.* notes. If my Honourable Friend be really prepared to grant a Committee of Inquiry into the policy of three such important and extensive alterations as these, he surely must foresee that his own course will, in great measure, cause that state of suspense,—will raise all those doubts in commercial dealings, which, in the first part of his speech, he urged as a main obstacle and impediment in the way of his assenting to the motion of the Honourable Member for Whitehaven. The re-issue of 1*l.* and 2*l.* notes! Why, Sir, I never felt confidence, in predicting the result of any political measure, greater than that which I feel in predicting what must be the consequence of permitting the re-issue of 1*l.* and 2*l.* notes. That consequence will inevitably be, the disappearance of the gold currency from circulation. I do not rely on mere reasoning for the proof of this, but I refer to the example of every country in which small notes have been allowed to circulate. In Scotland you have 1*l.* and 2*l.* notes, such

notes being nominally, and indeed practically, when tendered by the holders, convertible into coin; but it is, nevertheless, true that they have, in point of fact, excluded from circulation the whole of the metallic currency. In Ireland you have also 1*l.* and 2*l.* notes, and the same consequence has followed. In America there are, or at least there were permitted, notes of still smaller value, and the result has been the same not only with respect to gold coin, but to silver also. The currency of the cheaper, has banished that of the more precious material. So it will be in England. By permitting the issue of small notes, you will afford a direct premium to the country banker to discourage, as far as possible, the circulation of coin in his neighbourhood. No one can deny that whilst the small notes maintain their credit, they are a cheaper instrument of circulation, and one not less efficacious than gold; and that it would be a positive pecuniary advantage to the country to get rid of the gold currency altogether, if you could ensure entire and permanent confidence in paper and the fixed value of it, after the exclusion of gold. But I contend that there is no security in an immense mass of paper circulation, professedly convertible into gold—but not resting for its basis upon a metallic circulation. You think you can take effectual precautions against panics, commercial or political, by insisting on security from the issuers of paper. There can, in truth, be no effectual security against such panics and their disastrous effects. The best security is the presence of a metallic currency equally diffused throughout the country. But take what precautions you please to ensure the solvency of country banks,—compel them, if you will, to deposit Exchequer bills or funded property, or to assign land as a security for their issues,—I assert, you do positively nothing by these precautions to control the excessive issue of paper, or to ensure the competency of these banks in the time of pressure and alarm, to fulfil their engagements; which engagements are, expressly,—to pay a definite weight of gold in exchange for their promissory notes. You consider the banks safe, and the holders of bank-notes secure, provided the notes are issued on the security and deposit of real capital. Why, this reasoning would prove that the whole landed and funded property of the country, might be converted into circulating medium, and that there would be no danger of excess in the issue, however extravagant, so long as there was a corresponding deposit of property. Now, in my opinion, such a deposit may be the guarantee of the ultimate solvency of a particular bank, in a sound state of the currency, but it is no guarantee whatever that that bank will be able to pay its notes in gold

on demand, after gold shall have been banished from circulation. Depend upon it, the time will shortly come when the demand will be made; and if made and refused, what is this but inability to meet engagements, and fulfil positive contracts? I admit, that by the re-issue of small notes, you may give a stimulus, a fictitious stimulus to trade;—all may go on well for several months;—gold, being no longer indispensable for domestic circulation, will flow out of the country for the purpose of effecting foreign payments—the importation of foreign articles will, for a time, be promoted—the export of the gold will at first counteract the tendency to an unfavourable exchange, or at least diminish the indications of it;—and you will, in short, have every symptom of increasing prosperity; but in the course of eighteen months or two years, the currency will become excessive, the exchanges will rapidly fall, there will be a demand upon the Bank for gold:—the Bank will take the alarm, will refuse accommodation, and contract its issues:—the demand for gold will extend to all the issuers of paper,—then will come the rapid and simultaneous sale of public securities, and the renewal of that panic and all its consequences, of which you had the disastrous experience in the winter of 1825. The Bank may remain solvent in one sense—that is, may have means beyond its liabilities; but it will be unable to meet its obligations to impatient creditors, who demand instant payment in gold. What must be the result? Actual failure, or a restriction imposed by authority.

With respect to my Honourable Friend's proposition for a joint gold and silver standard, it has been already submitted to this House, and has been negatived—among other reasons, because its direct tendency, and, indeed, avowed object, was to lower the standard of value.

Mr. BARING.—One word in explanation. I have always contended that, on the adoption of a gold and silver standard, it must be so regulated as not to lower the general value of the pound sterling.

SIR ROBERT PEEL.—Then my Honourable Friend must take the present market-price of silver, and not the old Mint price, for the standard. The market-price of silver is now, I believe, 4*s.* 11*d.* per ounce; the Mint price of silver, when silver was a legal tender, was 5*s.* 2*d.* per ounce. If my Honourable Friend should take the Mint price of silver for the standard of value, he will depreciate the present standard; if he should take the market-price, he will not adhere to the ancient standard. That the same great principles which apply to gold as a standard of value, in respect to its controlling excessive issues, and regulating the value

of paper, apply equally to silver, or to a joint standard of gold and silver, I do not deny; but there are many considerations,—such, for instance, as whether silver ever was, practically, the standard of value, in this country, after the gold currency was reformed; whether you can maintain, in the same country, two metals constantly varying in their relative value, as a standard; whether it would be desirable to maintain them if you could;—these are considerations which would require very serious inquiry, but into which I will not now enter.

The third suggestion of my Honourable Friend is, that every country banker shall, hereafter, be allowed to offer Bank of England notes in exchange for his own notes, when presented for payment. But it is impossible to stop there. If a Bank of England note is to be a legal tender, on the part of a country banker, so must it be on the part of every other man in the country. Will my Honourable Friend say that his proposition is to be limited to country bankers? That the issuers of paper shall have the special exclusive privilege of discharging their debts in other paper? That a customer who has deposited gold with a country banker, and who asks to have that gold returned, may receive for answer,—“ We have no gold for you, but here is a Bank of England note;”—while that same customer shall remain under the obligation of discharging all his own debts and incumbrances in standard gold? But, suppose the customer shall draw a draft upon the country banker for 4*l.* 10*s.* or wanting a hundred sovereigns, shall draw on successive days twenty drafts for sums below 5*l.*, how are these drafts to be paid, except in gold, unless, indeed, my Honourable Friend's other plan of issuing 1*l.* notes shall have been already adopted? It is clear that the issue of notes below 5*l.* must be the concomitant of a plan which would make Bank of England paper a legal tender, and would relieve the country banker from the liability to payments in cash. But these are great changes to make in our monetary system; so great and important, indeed, that I must again say, that if a Committee were granted to consider them, there would arise all that agitation and suspense in pecuniary dealings, which my Honourable Friend is the first to deprecate, and which, as he justly says, would, in the present artificial state of society, and the peculiar condition of the commercial classes, aggravate every evil under which we are now said to be suffering.

The House, Sir, will probably expect from me, or at least will not be surprised, that, I should wish to state my views upon the principal points which are the immediate subject of debate. Such references have been made to the part I per-

sonally took, in 1819, in establishing the present system of our currency; the importance of the subject is so great; the interest I feel in it on every ground, public and private, is so overwhelming; that, wearied as the House must be by a debate, dull and tedious from the abstruse and abstract nature of its subject, I yet hope from its indulgence a patient hearing. No doubt the most important part of the question is, the practical one,—namely, the consideration of what can be done in the present condition of society for the purpose of relieving the distress alleged to exist; but still I cannot permit to pass without remark, the references which have been made to the Act of 1819. I might pass by those references if personal feelings were alone concerned. I might submit, in silence, to the imputations of rashness and folly, if the consequence was mere injustice to the authors of the measure; but I well know that that is not the single consequence;—that if without contradiction you can stigmatize the Act of 1819 as an Act of confiscation,—if you may take for granted that though possibly well intended, it was, in fact, founded on injustice and injury,—I well know that you cannot do this without undermining the foundations of the whole monetary system, and preparing for its total subversion. To avert such an evil, I am prepared to deny the justice of the aspersions cast upon the measure of 1819. Gentlemen who have taken part in this debate speak of the promoters of that Act as if they were repentant sinners, as if they acknowledged the evil which they had done, and, made wise by experience, bitterly lamented the consequences of their folly. I scorn those vile imputations of base, interested motives which have been thrown out in other places. I know that they will not influence the judgment of this House. I have heard none of them within these walls. I would to God that I had; and that those men who are bold enough, when they have no one present to confute them,—who are not sparing of their calumnies and menaces when they are addressing inflammable assemblies of the people,—would here, face to face, in presence of the accused, redeem their pledges, and repeat their accusations.

An Honourable Gentleman, the Member for Knaresborough with intentions, at least, for which I return him my sincere thanks, has been kind enough to throw his protecting shield over me. He said, “The Bill of 1819 was not Mr. Peel’s Bill. Oh, no! he was an ingenuous young man, ignorant of the subject of currency, performing a task thrown upon him by the Ministers, and all the blame belongs to Lord Liverpool.” Sir, I will not allow the blame, if there be blame, to be transferred to any one, still less to one who is no more. I was not, in 1819, connected with the Government. I had

quitted office, and had no desire to return to it; but I was the Chairman of the Committee of Inquiry, and I brought in the Act of 1819 in consequence of a conviction, founded on positive demonstration, that there could be no standard of value except a definite weight of the precious metals, and that a paper circulation, inconvertible, or resting on anything but a metallic basis, must be liable to injurious fluctuations both in amount and value, and exposed to the constant hazard of discredit. In 1819, the question came before the House for final decision. In my opinion, that question was, the choice between two alternatives,—eternal Bank restriction, or the return to cash payments without further delay.—Gentlemen now speak, as if no evils had been suffered before 1819. They assume that the Act of 1819 was brought in without experience of past embarrassment, without the pressure of any actual evil, without any expectation or demand on the part of the public; and the Member for Knaresborough is simple enough to think that the House of Commons was, on a sudden, deluded by a speech which the Honourable Gentleman himself heard, and which he describes as void of all matter—of all reasoning—but which very strongly reminded him of the harp of Orpheus. The harp of Orpheus! Does the Honourable Gentleman really think that Orpheus would have chosen, for the subject of his lyre, the Bullion Report? or that having chosen it, and having poured forth a melody with soft tones, but “without matter” or the “shadow of an argument,” he would have been able to cajole the simple understandings of city merchants, and to soften the flinty hearts of Bank directors;

Mulcentemque Tigres, et agentem carmine quercus.

What a notion,—that the House of Commons was taken by surprise on the currency question in the year 1819! that the restoration of the metallic standard was heard of, for the first time, in 1819! Why, the Bullion Report had been made in 1810—that is, nine years before, and had provoked a pamphlet from almost every man that could write. When Mr. Horner proposed, in 1811, among other resolutions, that cash payments should be resumed within two years of that date, that resolution was negatived, and other resolutions proposed by Mr. Vansittart were adopted. But did these latter resolutions sanction the doctrine, that cash payments must never be resumed? Did they intimate that the public creditor must be repaid in depreciated currency? No such thing. Among these resolutions of Mr. Vansittart, was one, expressly recording it as the opinion of the House, that it was expedient that, at the earliest period compatible with the public safety, the Bank should resume its payments

in coin at the ancient standard of value. Peace arrived in 1814; and what course did Parliament pursue? It distinctly recognised the justice of resuming cash payments. It recognised the claim of the public creditor to repayment in coin, and limited the further restriction on the Bank to one year. In 1815, war again broke out, and the battle of Waterloo was fought. The restriction was continued; but was again limited to one year. The year 1816 came, and it was found necessary to continue the restriction for a further period of two years; but in the preamble of the continuing Bill, there was admitted, by universal consent, a distinct recognition that the Bank ought to prepare for the immediate resumption of cash payments: 1818 arrived, and there was again an almost unanimous expression of opinion in Parliament, that the time had arrived when the ancient standard must be restored, no one then doubting the claims of the public creditor, in point of justice, or denying the general policy of returning to cash payments. Another postponement, however, took place, limited to a year; but in 1819, the House became weary of these continued delays, and a Committee was appointed, mainly on the suggestion, and at the instance of Mr. Tierney, to inquire into the whole subject, and the best mode of insuring the resumption of cash payments. As I have already said, I was not in office, but I was selected as Chairman of that Committee, and I presented its report to the House. The substance of it was, that at the end of four years from its date, cash payments, according to the ancient standard, must be resumed; but that the resumption should be effected by gradual steps, assuming the actual market-price of gold, at the time, as the preparatory and provisional standard. I ask the House this question,—if cash payments were ever to be resumed, had not the time then arrived? Four years had elapsed since the peace, when the inquiry was commenced; and if we had then deferred the actual resumption to a later period than 1823—that is, for more than eight years after the conclusion of peace,—do you think it ever would have taken place at all?—that the Bank, or the public would have believed that we were in earnest? I greatly doubt whether the old doctrines about paper and gold are not still maintained—whether there are not many of those whom I am now addressing, who dream of inconvertible paper, or of some other foundation for paper currency, than a metallic basis.

Several HONOURABLE MEMBERS.—No! no!

SIR ROBERT PEEL.—I rejoice to hear the denial; but this I know, that many of the arguments urged by those

who vote for the Committee, apply with as much force to the adoption of any determinate, unvarying metallic standard, as to the ancient standard.

I have now done with the assertion, that the House was taken by surprise by the Act of 1819. I approach another assertion—that although, in 1819, it might be fit to prepare for cash payments, yet that another standard of value should have been adopted, and that the ounce of gold should have been coined into 5*l.* or 6*l.*, or some other sum, instead of 3*l.* 17*s.* 10½*d.* That is easy wisdom,—(even if in this case it be wisdom)—which is acquired after the event. It is very well to say now—that the ancient standard should not have been resumed—that after all the promises made during the war—after the unanimous expressions of opinion, repeated, time after time, in favour of the resumption of cash payments at the ancient standard—another, and a lower standard should have been taken; but I should like to ask any impartial man, who remembers the state of public feeling and public opinion in 1819, what would have been the fate of a proposition, in that year, to enable the Bank to discharge its promissory notes at the rate of 15*s.* in the pound! What!—with the feeling on the subject of forgery of notes—with the impression that the Bank had amassed great gains by means of the Bank restriction—that the nominal rise, in the price of gold, was owing to excessive and most profitable issues of paper, do you think that Parliament would have tolerated—would have listened for one moment to—the proposal, that the issuers of the Bank of England paper, and of all other paper, should compound with their creditors, by debasing the standard? Who was the Minister that could have reconciled Parliament, or the people of this country, to such a proposal? Why, the Bank itself never denied its own liability to pay its notes, at some time or other, in gold at the ancient standard. Nay, the Bank did actually, of its own accord—without any compulsion on the part of Parliament,—after the peace, but before this fatal year, 1819; issue above 7,000,000 of gold sovereigns in exchange for its promissory notes. A foolish issue I admit; but an issue, demonstrating the opinion of the Bank, as to the nature of its own obligations;—and yet, in 1819, we were,—against the opinions, and conviction, and practice of the Bank itself—to enable the Bank to pay with 15*s.* a debt of 20*s.*!

If the Act of 1819 was so clearly unjust—so manifestly impolitic—how came it, that of all those who now take credit for their wisdom and foresight—not one man was found, in either House of Parliament, bold enough or honest enough to take the sense of either House

against the Bill, or against any one of its enactments? The Member for Coventry did, indeed, bring forward resolutions opposed, not to the principles of mine, but to some of the details; but he found the sense of the House so adverse to him, that he withdrew his resolutions; and those moved by me, as the foundation of the Bill, passed through the House of Commons, as it stands recorded in the Parliamentary debates, without one dissentient voice. Is it decent, then, in the men who were then present, to impute all the subsequent distress of the country to the rashness and haste of the measure of 1819,—and to me, as the author of it,—when they who now claim credit for having so clearly foreseen the difficulties in which it would involve us, never came forward to oppose its principles, or even delay its progress? But I have understated the case. There were two amendments proposed to the measure,—one in this House, and one in the House of Lords. That proposed to this House affirmed that there ought to be no intermediate steps of resumption, and that cash payments at the ancient standard should be resumed in 1822, instead of 1823;—actually a year earlier than I myself proposed. That was the only amendment proposed in this House, and pressed to a division. The amendment proposed in the other House of Parliament was by Lord Holland, who, for the purpose of recording his opinion, moved that cash payments be resumed in 1820, instead of 1823. Have I not, then, a right to say, (if I wanted to shrink from any personal responsibility, which I do not,) since the only complaint put on record by any Member was, that the resumption was too gradual, and too remote,—have I not a right to say, that Parliament is peculiarly and specially responsible for the Act of 1819?

I approach the last, and the most important consideration connected with the measure of 1819: namely, this—Is the distress of the country fairly attributable in the whole, or in any important degree, to that measure? I think I have shewn, first, that Parliament was not taken by surprise;—secondly, that the measure was not the measure of an individual, or of a party, or of a Government; but was the measure of the Parliament, speaking the voice, and representing the deliberate judgment of the country. Still, these considerations are not to fetter us from reviewing the measure, if it have been the cause of public evil, and if that evil be now reparable; but both these hypotheses must be proved. Now, I begin by admitting that there has been great depression of price, great occasional distress,—from some cause or other,—since the peace. Nay, more, I will admit that some distress was the inevitable

consequence of the measure of resumption. Resumption implied the termination of that state of ease, which, no doubt; in one sense, accompanied inconvertible paper—it ensured also, inevitably, some increase in the value of the currency of the country, and *pro tanto* affected the then existing engagements. But to attribute the whole depression of prices, and the whole distress consequent on that depression to the change in the currency is a fallacy, as gross as any that ever was imposed upon the understandings of men. You may contend that Mr. Ricardo was wrong in estimating the whole change in the value of the currency at 3 or 4 per cent.; but his error (if it was an error) was nothing to yours, who attribute the whole alteration in prices to the change in the currency. I have admitted,—and repeat—that it was impossible for us to return from a system of inconvertible paper currency to a system where gold or silver was the standard, without a sense of pressure and restraint. It was impossible, after having so long indulged in stimulants, that we could return to a course of temperance and sobriety without feeling depression. But what lesson is it that we are taught by the past? Again to depreciate the currency? No. “These things are written for your learning.” The sufferings that you now undergo are the certain consequences of the original departure from right principles. They cannot be alleviated: they will only be aggravated by abandoning those principles now. They ought to warn you, that having restored a metallic standard, you ought to adhere to it, and not again to enter upon a course, the return from which is no doubt attended with pressure and difficulty, but with no evil comparable to that of the indefinite continuance of an inconvertible paper currency.

No doubt there has been a great depression of prices; but this I say, that if any man hopes, by any system of currency, to bolster up prices to those of the war, he is miserably mistaken. Look at the duration and character of that war, commencing in 1793, and lasting till 1815. During this period of twenty-two years you had an inconvertible paper currency,—you monopolized the whole supply of Europe with manufactured articles,—you were the only country in Europe not subject to hostile invasion,—and you had the command of the seas. Do you think such a state of things could cease, and perfect tranquillity be restored to the whole world,—and that you could yet maintain the prices of the war?

My Honourable Friend quotes Mr. Thornton as having admitted that prices had been raised during the war 40 or 50 per cent; but Mr. Thornton was then speaking of the

years 1810 and 1811, when the war was raging, and when all the other causes of high price were in full vigour. Now, in 1819, four years after the peace, many of these causes had ceased to operate; prices had already come down; and our bloated and turgid prosperity had collapsed with the return to peace, and the cessation of war monopoly and war stimulants. We hear the distress since 1819 described in terms as if distress was unknown at previous periods—as if there could be no cause of distress but the resumption of cash payments. In the year 1793 was there no distress? Did not 100 bankers fail? Was there none in 1797? Was there no distress in 1810, when you had an inconvertible paper currency, and with little prospect of the return to a metallic standard? In that year a Committee was appointed for the express purpose of administering relief to the commercial community. It was in evidence before that Committee that prices had fallen 50, 60, and 70 per cent. Wherefore was this,—if the doctrine be true that inconvertible paper, or enlarged issues of paper, will be a security against commercial failure and general pecuniary embarrassment? You had an inconvertible paper currency in the years 1816 and 1817—you had no contraction of paper by the Bank of England in those years, as compared with the average of former years—quite the reverse; and yet, many country bankers failed, and involved large masses of the community in misery. The proof is quite conclusive, that the enhancement of the currency must be dated from a much earlier period than from the year 1819. I could prove this from the distinct admissions of those who now ask for this Committee, which, if it is to have any practical result at all, must lead to a depreciation of the currency. What will be the effect of that depreciation? Why, that every man who has entered into contracts (not merely during the last four or five, but, as I shall shew, during the last eighteen years) will have them disturbed in the most unexpected and unjust manner. If, indeed, you could take from the public creditor, who lent money in the depreciated currency of the war, and who has received payment in the appreciated currency of the peace, the difference between the sums paid and received (though you would commit, in my opinion, a most dishonest act), there would be, at any rate, an intelligible pretext for the proceeding. But the effect of depreciating the currency, now, will have no such operation, but it will disturb all unfulfilled contracts which have been made in the improved currency,—being 99 out of every 100 of the total number. These contracts, as I before said, are not limited to recent years; do not date merely from 1823, when the Bill of 1819 came into full

operation;—but extend over, at least, the whole period that has elapsed since the peace. To prove this, I put into the witness-box, the Honourable Member for Birmingham. He will confirm my statement, that the enhancement of the currency began many years before 1819. On the 2nd of May, 1817, he wrote a letter to Mr. Vansittart, describing the state of the country in respect to its monetary system in connexion with trade and industry. This was two years before 1819, and six years before the Act which passed in that year, came into full operation. At that time there was no lack of paper; and that paper was inconvertible. Notes below 5*l.* were issued by all banks, without restriction. Yet you will see that neither abundance of paper, nor inconvertible paper, nor 1*l.* and 2*l.* notes were any securities against pecuniary embarrassment and general distress. But the special object for which I refer to this letter is, to shew, on authority (for this purpose indisputable), that the alterations in the value of money had actually taken place long before 1819; and that the contracts, since 1815, have been in an enhanced currency. The Honourable Member, in this letter of 1817, remarks, “Money has doubled in value in the last five years.” He says, again,—

A scarcity of money has existed for five years, which caused prices to fall.

Now, as to distress:—

There are 40,000 manufacturers of nails in this neighbourhood. The articles which they manufacture are not articles for the consumption of war, and yet thousands of these men are perishing with hunger. Sir, I speak literally, and not figuratively—thousands of these men are perishing with hunger, or are dying by inches from the effects of unwholesome and unusual food.

Now, as to land and the agricultural interest:—

The landlords have received no rent for the last four years. If they have received any income from their land, it has been drawn from the capital of the farmer, or from the impoverishment of their land, or, at least, from the amount of the principal of their land, which is fallen one-half in monied value; and, consequently, the landlord who converted his property into money a few years ago, has thereby positively doubled his real capital.

Let us now hear the situation of the monied man in 1817:—

Observe the situation of the capitalist for the last three or four years. It has been quite impossible for him to improve his circumstances by any kind of industry. The depression of prices has mocked his labours and mortified his hopes. Let him have produced whatever he will, it is quite certain that the product of his industry has not repaid him the money which it cost him. If an invading army could have succeeded in breaking up the whole of the high roads throughout the kingdom, the consequences would have been exactly similar to those which we have already experienced, until such roads were restored.

The products of industry could no longer have been exchanged for each other, and the natives of every district and of every village would have been left to perish in the midst of plenty. This has been the situation of England, in a very great measure, ever since the Bullion Report first acted in breaking up the established relations between property and money in the year 1810. The contractive action then commenced; and, ever since then, until the present period, in a greater or less degree, there has been a greater reward in indolence than in industry.

What are the facts established by these extracts, on the authority of the Member for Birmingham? That, before the Act of 1819 was dreamt of, the contraction in the currency had taken place; that it commenced five years before he wrote, in 1817; and that, in 1817, money was doubled in value; that, in his neighbourhood, such was the condition of the working classes, that thousands of one single class—namely, manufacturers of nails—were, not figuratively,—oh, no—“I speak literally, not figuratively”—perishing with hunger, or dying by inches, of unwholesome food. Bear in mind these two things—that the contraction began seven years before “Peel’s Bill” was introduced, and that money was doubled in value; and all this bitter distress was endured, with inconvertible paper, and 1*l.* and 2*l.* notes. But, perhaps, during the period of which the Member for Birmingham was speaking, the Bank of England had been progressively contracting its circulation. By no means. The Bank issues had increased regularly and rapidly from 1806 to 1817. Their amount on a given day in each year—namely, the 31st of March, was as follows:

In 1806	.	.	16,853,000
1807	.	.	16,657,000
1808	.	.	16,645,000
1809	.	.	17,840,000
1810	.	.	20,442,000
1811	.	.	23,333,000
1812	.	.	23,332,000
1813	.	.	24,000,000
1814	.	.	25,157,000
1815	.	.	27,298,000
1816	.	.	26,573,000
1817	.	.	27,138,000

At particular periods of these years, there may have been fluctuations in the amount of bank-notes; and there were, in 1816 and 1817, rapid contractions of the currency. You refer to these contractions and their consequences as confirmations of your theory—that distress is the consequence of restricted currency. We do not deny that distress will follow sudden contractions of the currency; but we assert that such contractions are the inevitable consequences, the necessary and painful correctives, of excessive issues. We

admit that, by depreciating the currency, you may be able to obtain higher prices for a time—to command a delusive and temporary prosperity—but we say, that the foundations, both of your currency and your prosperity, are sure to fail you; and that, in proportion to the artificial elevation, will be the severity of the fall. You attribute the distress of 1810, and 1816, and 1825 merely to the contraction of paper, and consider that distress a proof that increased issues would be the remedy. We assert, and in my opinion with much more truth, that the excessive issues are themselves the primary cause of the evil; and while they seem the symptoms of prosperity, are but generating the causes of certain and tremendous explosion. What was the remedy proposed by the Member for Birmingham in 1817? What was his device for enlarging the circulation—and, of course, ensuring the re-establishment of prosperity? He writes thus—

The most ready and facilitous way of effecting this object, in a country like England, seems to be in converting a part of the permanent and fixed national debt into a circulating or floating debt; by creating a quantity of circulating Exchequer bills of various sizes, bearing no interest, and with them buying up an equal quantity of the national debt. If 10,000,000*l.* of additional money are created in this way, there is no additional debt contracted, nor is there any additional depreciation of money occasioned, provided the issue is not carried further than will suffice to employ the whole labourers of the kingdom, at the usual wages to which they have been accustomed.

What an admirable system of currency! that rests for its security upon debt, and has for its standard of value “the accustomed wages of all classes of labourers throughout the whole United Kingdom.”

I shall now address myself to the immediate question of the appointment of a Select Committee—the nature of its inquiries—and their probable result. The resolution moved by the Member for Whitehaven assumes the fact of universal distress; and proposes an inquiry into the connexion of that distress, with the present monetary system. If this Committee shall be unfortunately appointed, and I should be a Member of it, I shall—(and if I am not, I hope that some one, who is a Member of it, will)—address the Committee to this effect—“We admit a great fall of prices since the war—we admit that the profits of capital are low;—but nothing will be so absurd as to assume, without the most extensive inquiry, that the change in the currency has been the sole or the main cause of that depression of price and reduction of profits. There are many causes to be investigated that lie very deep, and the effect of which is not easily ascertained; you cannot make a report until you have surveyed the condition of the country for the last thirty-nine

years—until you have inquired into the peculiar character and effect of that war which frequently gave you almost a monopoly of the markets of the world—into the effect of the stimulus of war prices, and a large Government expenditure—and into the consequences of the cessation of that stimulus. If you are about to take an enlarged and philosophical view of the subject, you must ascertain what has been the effect of eighteen years of uninterrupted peace in reducing the prices of manufactured articles throughout the civilized world; in converting those nations which were your customers in time of war, into rivals and competitors in time of peace!" Why, Sir, does England hope that she can retain for ever that monopoly of supply which she enjoyed during war, when she had destroyed every hostile fleet—when the commercial marine of every other country was at her mercy—when every nation of Europe, except herself,—when Spain, and Portugal, and Germany, and Italy, and Prussia, and Belgium, and Holland, had been exposed to, and were constantly menaced by, hostile invasion from the arms of France? In all these countries industry has revived. They are now at liberty to turn their attention and apply their capital to the supply of many of their wants by means of their own peaceful labour. Does England hope to maintain war prices despite of such competition? Look at the state of manufacturing industry in America and in the countries which I have mentioned, and then consider what influence these causes must have had in reducing the prices of your manufactured articles. Take, again, the influence of other causes, which must, and which ought to, reduce prices here:—the diminished hazard, both of import and export—the reduction of the rates of marine insurance—but, above all, the diminished cost of the raw materials, which are the staple of your manufactures. You buy everything at a less price, and you must sell at a less price. Is it meant that you should pay a much lower price for the raw material, and charge the old price for the manufactured article? Then you must inquire what has been the effect upon prices, of improvements in machinery;—what the effect of the application of steam, in diminishing both the cost of production and the cost of carriage. Can any one doubt that the influence of all these several causes upon prices and upon profits, must be ascertained before you can determine the degree to which they have been affected by the resumption of payments in cash? Again, with respect to land,—I admit that land has fallen; but, does any landlord hope to maintain, since the war, the war prices? During the war, an undue stimulus and excitement were given to agricultural speculation; land was then brought into cultivation

which would not adequately repay the cost of cultivation, after peace had been established. No man regrets more deeply than myself the consequences, to individuals, of throwing that land out of cultivation; but the depreciation of the standard will afford no remedy. Here, again, many other causes—besides the increased value of money—are in operation. What has been the effect of Irish importations upon English prices, and on the profits of English agriculture?—of a perfectly free trade in corn with Ireland? Whatever it has been, it is not owing to the Bill of 1819; it would have existed separately from that Bill. The moment you opened the English markets to Irish produce, from that moment the prices of English produce must have fallen. Again, the operation of the poor-laws, and of their defective administration, must be inquired into; and, I repeat, you will not be worthy of the name of legislators and statesmen, if, having undertaken this inquiry, you do not attempt, at least, to assign to each of the several causes which I have mentioned, its effect in producing the fall of prices, and the distress of any particular branch of industry.

It is scarcely worth referring to the mere declamation by which the Act of 1819 has been assailed. It is not only described as the source of every domestic calamity, but it is made chargeable with the misfortunes of other nations. Nay, so extensive has been its operation, that one Honourable Gentleman has discovered that the Revolution of France, in 1830, was not owing to the *Ordonnances* of July,—but that to the Act of 1819 we are to attribute the downfall of the dynasty of the Bourbons; and that Louis Philippe now sits on a tottering throne, because he cannot command high prices for the productions of France. The Honourable Member for Whitehaven wisely considers it much better, as a general rule, to deal in vague declamation, and to turn eloquent periods upon “devouring poverty and appalling distress,” than to venture on any specific facts. Facts and figures are dangerous things to meddle with, unless they can be relied on; but they are very important on questions of this nature. Prophecies of evil are easily uttered—and can only be met by counter-prophecies—as worthless as themselves. But the Honourable Member did make an occasional exception from the general rule of his speech, and appealed to facts. He said, “I take Ireland as my example; I will prove everything by figures; and whatever I say of Ireland will be true, as applied to England.” The Honourable Gentleman first assumes that Irish disturbances were unknown before the year 1819. His position is this. All Irish disturbance grows out of controversies and quarrels about land; and the depression of the price of agricul-

tural produce, in consequence of a restricted currency, is the main cause both of the distress and the insurrectionary violence in Ireland. Now I meet this assertion by these facts. In 1807, during the war, when prices were high, and when currency was unrestricted, such was the disposition to disturbance in Ireland, that the Insurrection Act was introduced, and remained in force for several successive years. It was allowed to expire; but was introduced again in 1814; and again remained in force for a considerable period. I will not go to earlier periods.

I turn now to the picture given by the Honourable Gentleman of the state of Ireland, in respect to agricultural produce. I took down his words; they were to this effect;—

The cattle have vanished from the fields,—the plough is no longer at work,—no manure is purchased,—land is going out of cultivation,—agricultural produce is declining in quantity,—and there is universal distress throughout the country.

Observe, we are not now discussing whether the profits of agricultural produce are appropriated exactly as we should wish. Some Irish Member probably will say, “The poor of Ireland derive no benefit from the increased produce, the profits are all taken away by absentees.” But that is not the question. We are not inquiring to whom these profits ought to go—we are not determining whether the relation of landlord and tenant be in a healthful and satisfactory state—but whether agriculture be declining in Ireland, because capital cannot be properly applied to the cultivation of the soil.

Now, I have, here, an account of the annual average quantities of certain articles of agricultural produce exported to Great Britain in triennial periods, ending, respectively, 5th January, 1810, 1820, 1826, and 1830:—

In the period ending 1810, there were exported, on an average,

Oxen.	Sheep.	Swine.
19,376	10,203	9830

In that ending 1826, the numbers were,

Oxen.	Sheep.	Swine.
57,395	62,819	73,912

	Wheat (Qrs.)	Oats and Oatmeal (Qrs.)
In 1810 . . .	61,097	673,895
1826 . . .	375,781	
1830 . . .	525,619	1,697,509

Now, I ask with confidence, after this statement of facts, what becomes of the assertion, that, in Ireland, cattle have vanished from the fields—that the plough is idle—that the land is left without manure—and that production is rapidly

on the decline? The Honourable Gentleman then referred to the progress of crime in England; and here again he can find no other cause for the increase of crime, but the Bill of 1819, and the contracted currency. I pass by, of course, the eloquent declamation on the evil of increasing crime. I find it utterly impossible to deny that where criminals increase, morality is probably on the decline; or to contest the fact, that hardened criminals are dangerous members of society, whose numbers ought, if possible, to be reduced. We are all agreed upon these truths; but the point at issue is this:—Has the increase of crime varied inversely with the increase of paper; and can you fairly charge, on the restoration of the standard, the additional number of criminal committals? Here, again, I refer to the only authentic data—the official returns. They prove that, during the war, and since the war, there has been an increase of crime; but they warrant a presumption that there must have been other causes of that increase in operation, besides contractions in the currency. The committals for crime in England and Wales were as follow, in the several years I shall mention:—

COMMITTALS IN ENGLAND AND WALES.

Years.					Criminal Committals.
1811	.	.	.	.	5337
1813	.	.	.	.	7164
1815	.	.	.	.	7818
1816	.	.	.	.	9191
1818	.	.	.	.	13,567
1820	.	.	.	.	13,710
1821	.	.	.	.	13,115
1822	.	.	.	.	12,241
1823	.	.	.	.	12,263
1825	.	.	.	.	14,437

Now, of these years, the Honourable Gentleman has mentioned two in splendid contrast to all others—years when paper was abundant—when there was a full demand for labour—when prices and profits were high. The years were 1818 and 1825. Now, surely, according to the theory of the Honourable Gentleman, crime ought to have diminished in those years. But what was the fact? Why, that, in 1818, the criminal committals were more numerous than in any preceding year, with one exception; and that, in the year 1825, they were more numerous than in any preceding year, without a single exception. Now I have no theory on this subject. I do not maintain that crime increased because paper issues increased; but I doubt the soundness of the Honourable Gentleman's theory—at least, I altogether deny his facts, that crime decreased as paper issues were extended. I am well aware of the rejoinder to

these statements. "We have no confidence in official documents: they may be fabricated, and, at any rate, they are utterly unworthy of credit if they be referred to to disprove the distress which we know to exist." But, surely, our inquiry turns not upon cases of local distress; but upon the general condition of the country; and how can he form any judgment of that condition, except by a reference to official returns, to the general aggregate of the varied transactions of the whole country? It was just in this spirit that the Member for one of the Ridings of Yorkshire made an attempt to answer the able and unanswerable speech of the Vice-President of the Board of Trade.

The Right Honourable Gentleman justly observed, that in order to ascertain whether the people be really suffering under distress of a character such as that which has been represented, you must not take particular instances of individual or local distress, and thence infer their general existence; but you must look at official documents to ascertain the increased or decreased amount of comfort at different periods, as exhibited in the consumption of articles of general use. Now, what were the individual cases which the Honourable Gentleman, the Member for the North Riding of Yorkshire, offered, to refute the reasoning of the Vice-President of the Board of Trade? He selected three places in order to prove, from the distress there prevailing, the general suffering of the country; and the three fair criteria which he assumed were Oldham and the districts near it, Macclesfield and Whitby. Admirable selections for the purpose! The first is a district in which there are probably more hand-loom weavers than in any other, and was therefore wisely selected as affording instances of individual distress. Macclesfield, it is well known, has been greatly injured by the establishment of the silk manufacture in Manchester. The greater amount of capital, and the larger command over labour and improved machinery which Lancashire possesses, must necessarily render it a very formidable competitor with other places, and Macclesfield among the rest. The rapid progress of civilization, and the development of mechanical skill, have, I fear, a tendency to produce cases of local distress, by attracting manufacturing industry from places where it has heretofore flourished to more favoured spots; but these vicissitudes (lamentable as their effects are in particular cases) may be indications of general prosperity and improvement, rather than of general suffering and decline. And Whitby, too! True—we gave it a Member last year; but then we all admitted it to be in a declining state, from

the local operation of some causes which had led to a transfer of its trade.

Sir, I consider by far the most important consideration connected with this question to be, its bearing upon the condition of the labouring classes. One of the main motives for introducing the Act of 1819 arose from a deep conviction that a constantly depreciating standard was working the ruin of those classes. I was satisfied by evidence and by reasoning that when you depreciate the standard, the prices of the necessities of life rise much faster than the wages of labour; and I was convinced that one of the main causes of the gradually declining condition of the industrious classes arose from depreciated paper currency. A constant effort is now made to impress upon those classes a belief that their distress has arisen from the restriction on paper; but I hope they are beginning to understand the true nature of the question, I, too, make my appeal to them. If you can enlist them on your side, no doubt you will have an important ally: if you can convince them that the restoration of inconvertible paper, or a recurrence to a depreciated standard, will be for their advantage,—if, in addresses to political unions, you can successfully denounce those who are favourable to the maintenance of the standard as enemies to the labouring classes,—you will, no doubt, materially advance the object you have in view. But I appeal, confidently, to the industrious classes of society. I tell them, their true friends are they who resist a depreciation of the standard, and who maintain the payment of their wages in money of the present value, from the conviction that if that value be lowered, the price of necessities will increase much more rapidly than the pay of labour. The most affecting statements have been made of the condition of certain classes of the manufacturers. One Honourable Gentleman in particular, the Member for Oldham (Mr. Fielden), gave a detailed account of their state in that district with which he is more immediately connected. Sir, it is impossible to deny that that is a district in which there exists severe distress. It contains a large body of that particular description of manufacturers who used to gain a livelihood by working at the hand-loom. I know something of their condition, and am ready to admit that it is one deeply to be lamented. The Honourable Gentleman, who made this statement, says that he employs 3000 power-looms, and that nothing would make him more miserable than the reflection that by the use of that machinery he had contributed to the distress of the hand-loom weavers. Then, Sir, the Honourable Member must make up his mind to be miserable; for nothing is

more true than that the sudden improvement and universal use of machinery, and especially of the power-loom, have had, a considerable effect upon the condition of those who lived by manual weaving. The Honourable Gentleman says that the power-loom has been known many years. Why, so was steam navigation known before it was applied; but it is only within a few years that the power-loom has been brought into almost universal use. The hand-loom weaver (I speak of some parts of Lancashire with which I am acquainted) was frequently a small farmer who resided at a distance from a town, cultivating a small portion of land for the subsistence of his family, and earning a part of his livelihood by working at the hand-loom. When the power-loom was brought into use, that man was placed in a situation of peculiar disadvantage; for hand-loom weaving could not compete with that of the power-loom, and the main spring of his industry was broken. But this is only another instance in which the application of mechanical ingenuity and capital to the perfection of machinery, and the progress of social improvement, have, by the rapidity of their effects, depressed a particular class. It is, surely, absurd to argue from that depression that the whole country is in a declining state. But I ask whether the Honourable Gentleman has given the truth, and the whole truth, with respect to the condition of Oldham?

I have before me the account of the Poor Law Commissioners, and it is certainly much at variance with that of the Honourable Gentleman. I have seen, too, a letter, which appeared in the public papers, written from Oldham—the letter, apparently, of a writer whose information is extensive and authentic,—giving an account of the demand for labour, generally, and its remuneration in that parish. The writer signs himself “An Elector of Oldham,” and writes thus:—

Perhaps no town in Britain has increased in a greater ratio than Oldham, none where fortunes have been accumulated with greater rapidity; nor is there any town where, taken collectively, the working classes are more comfortable in their circumstances, or obtain a better remuneration for their labour. Distress, from particular circumstances, does exist in Oldham, and one main cause of it is the great influx of labourers and artisans from neighbourhoods not enjoying the same prosperity and advantages that Oldham possesses. Another cause, and that a principal one, is the circumstance of the power-loom supplanting the hand-loom, or, in other words, the hand-loom weaver is contending with the power-loom in producing an article at as cheap a rate. The weavers are, however, finding by sad experience that this is the case, and, as fast as circumstances will allow, are quitting their original trade and adopting others. This class of men (taking them as a body, a very exemplary and worthy one) are many of them in a very destitute situation; few of them can earn more

than from 5*s.* to 7*s.* per week. Science may sometimes, as it does in this instance, destroy capital and abridge labour, but it is to reproduce it, not only with an immense increase, but with a great additional advantage and comfort to society at large. The regular wages paid here to those whose occupation is generally considered as receiving the minimum of remuneration—the labourers—is 2*s.* 6*d.* to 3*s.* per day. Bricksetters' labourers are paid 2*s.* 8*d.* per day, with an allowance of three pints of beer per day. Bricksetters 3*s.* to 3*s.* 6*d.*, with the same allowance of beer; and if either labourers or setters work what are termed "over-hours," that is before seven o'clock in the morning, or after six in the evening, such time is always paid for in the same proportion; so that a labourer may obtain 3*s.* 4*d.* per day, and setters 3*s.* 9*d.* to 4*s.* 4½*d.* Joiners, masons, carpenters, slaters, and other artisans, generally are paid not less than bricksetters, with the same allowance of beer. That these prices are paid throughout the borough, I could bring hundreds of witnesses to prove. Hats were formerly the staple trade of Oldham, but of late years have been greatly superseded in extent by that gigantic branch of commerce—the cotton trade. The hatters, as a body, are fairly paid, some branches of the trade extravagantly, and all tolerably well employed. In the cotton-mills the men's wages are from 15*s.* to 30*s.*; women and children's from 2*s.* 3*d.* to 8*s.* or 10*s.* Although the population of the township of Oldham has increased from 16,690 in the year 1811, to 32,381 in the year 1831, still the amount of poor-rates levied is no more in the pound than it was at the former period; and in the years 1816 and 1817, they were nearly double the present amount. In the year ending March, 1832, there was levied in England, for poor-rates, 8,255,315*l.* 12*s.*, out of which there was expended for the relief of the poor, 6,731,131*l.* 10*s.*; consequently the amount of relief, taking the population at 13,086,675, would be 10*s.* 3¼*d.* per head, averaging the whole of England. The amount paid the poor in Oldham in the last year, was 3313*l.* 13*s.* 7*d.*, or averaging 2*s.* 0½*d.* per head; thus shewing, that if the amount expended in relieving the poor is any criterion of the situation of the working classes, Oldham stands but at one-fifth proportion when put in comparison with the rest of England. Since the time of the panic, in the years 1825 and 1826, a period in which many towns have been retrograding, there has been expended in public improvements (and we have no corporation, or anything like it, to promote such expenses), upwards of 100,000*l.*

This statement is exactly confirmed by the Report of the Commissioners. They say that Oldham has, at a former period, suffered, from causes which they mention, considerable distress; but that, with the exception of the handloom weavers, it is in an improving and prosperous condition. The failure of a bank in the neighbourhood, after the panic of 1825, was one of the main causes of the distress in Oldham; and it is because the permission again to issue 1*l.* and 2*l.* notes would lead to the same circumstances which produced that failure, that I now pause before I consent to a proposal for their re-issue.

Sir, I have made it an object of care to inquire what is

the condition of artisans in the midland districts; and I have, here, an account of the rate of wages paid, at present, in several towns in Litchfield, Coventry, Birmingham, and other places, to the following descriptions of workmen: carpenters, masons, bricklayers, plumbers, plasterers, and painters. I take Birmingham; in that town they are as follows:—

			s.	d.		s.	d.
Carpenters	.	from	3	4	to	4	2
Masons	.	.	3	6		4	0
Bricklayers	.	.	3	4		3	10
Bricklayers' labourers	.	.	2	2		2	6
Plasterers	.	.	3	4		4	0
Painters	.	.	3	6		6	0
Plumbers	.	.	4	0		5	0

The rate of wages in other towns varies but little from the above. Some small reduction must be made from this amount of wages in the case of carpenters, masons, and bricklayers, on account of the expense of tools which they have to provide; but the rate of wages appears ample to ensure, with present prices, a decent and comfortable maintenance for the workman and his family. What is the object of this motion—the object distinctly and in terms avowed by the Member for the North Riding of Yorkshire (Mr. Cayley)? To raise prices;—no doubt that is the intention, and will be the effect of it. How can any one doubt that the workman who now earns wages of from 3s. 6d. to 4s. a-day, has a much greater command over the necessaries and comforts of life than he would have, were you to increase the currency, and raise the prices of provisions and all other articles? I believe it to be a fact established by official papers and returns of the quantities of articles of general use consumed, that the condition of the labouring classes is greatly improved since the period when we had an inconvertible, unrestricted paper currency. If you compare the consumption of hops, of malt, of tea and coffee, at different periods, you will find that the industrious classes have now a much greater command of those necessaries of life than they had before. If the fact be so, I call on you, as you value the true interests of the people, to pause before you lend your sanction to any scheme, the avowed purpose of which is to increase the price of the necessaries of life.

If this Committee be appointed, when will its labours terminate? It is not a Committee to adjust the details of some plan, on the principle of which those who support the Committee are agreed, but a Committee without a plan, and the members of which entertain principles the most conflicting. Let us survey the course of this debate, and see

whether, among the advocates of inquiry, (I say nothing of the opposers, of whom, I suppose, some portion will be on the Committee,) there is that uniformity of general views—that we may expect from their labours any early remedy for our distress. The Honourable Gentleman who spoke first, the author of the motion, was wise enough to produce no plan—to avoid the suggestion of any specific remedy. He complained, indeed, that the monetary system was manifestly defective; for the population had increased,—the produce had increased,—but we had tied down the standard, and prevented its increase. The Honourable Gentleman might just as well complain that “roads have increased—new countries have been discovered,—but, alas! the yard and the mile remain of the same length as before.” We hear of an “antiquated standard;” as if the standard had got decrepid through age. You might as well say that the pound weight or the quart measure was too antiquated for present use. A definite weight of metal is as much a standard, a measure of value, as either the one or the other. If the Honourable Gentleman does not mean the standard, but the amount of currency, he is totally in error in supposing that the currency cannot vary in amount—cannot accommodate itself to the growing wants of the people—because the standard is invariable. Every improvement in the economical use of money is a variation in the amount of the currency; and the Honourable Gentleman’s objection, if it be worth anything, is fatal to any standard at all. The Honourable Gentleman, however, contented himself with the attempt to shew that the present system is chargeable with every imaginable evil; but, as I before said, he wisely abstained from the suggestion of any remedy.

He was followed by the Member for Oldham (Mr. Cobbett), who was ready to agree with him in his vote, but totally abjured his principles. I must say that I never was more disappointed than by the speech of the Member for Oldham. He began by claiming peculiar indulgence for himself on account of his profound study of the whole subject, and because no man ever made a speech upon it, containing right principles, which was not borrowed from him. “The Noble Lord,” he says, “made a good speech; but, then, it was all copied from me.” I think I may assure the Honourable Member that he need not entertain any fears of plagiarism in respect to the speeches which he delivers in this House. I have heard nothing from him, on any occasion, for which he may not reckon on a copyright which will never be infringed. So little did his observations refer to the question before us, that while he was engaged in their delivery, an ingenuous young Member, who entered the House at the

time, inquired from me "whether the currency question was over?" I said "No; this is the currency question." He replied, "I thought, from his speech, that it was the navy estimates." All that the Honourable Member could produce on this question of the currency was, the notes of an old speech which he had intended to make on the navy estimates. The Honourable Member wants no depreciation of the standard,—he will have no issue of paper—"rotten paper"—I fear he said in the hearing of the Member for Birmingham.) "Oh, no; give me," he says, "the King's coin, with the King's image upon it." There is something so amiable in his loyalty that one would forgive his errors, even if he be wrong. Still he consents to go into the Committee, the object of which is to depreciate the standard, and all the remedy he proposes for all our distresses and all our evils, is to cut down every estimate, and every expense, to the level of 1792. "And yet," says the Honourable Member, "England ought to assume a high tone, and till poor Pitt was corrupted by the Whigs, she did assume a high tone; Spain and France were not allowed to have navies, and they ought not to be allowed to have navies;"—but how we are to maintain this high tone, and control the naval force of Europe, with the Estimates of 1792, the Honourable Member did not clearly shew. I should like to ask him, how would he deal with the possessions that have been acquired since 1792,—with the Cape of Good Hope, and Malta, and the Mauritius? The Honourable Gentleman says that we had a most successful war; that we annihilated the naval force of all our enemies:—and yet he is surprised that we have more admirals at the end of that war than we had at its commencement! This Gentleman was the second speaker in favour of the motion; the third was the Member for Knaresborough, who says that the plan of the Honourable Member for Oldham (of course, one of his colleagues in the Committee) is a plan of confiscation, rapine, and blood. His remedy was the total abolition of coin, and the payment of bank-notes in bars of gold. The fourth speaker was the Honourable Member for Wolverhampton. He says, maintain the standard, but throw every burden on the land; the land had, he observed, escaped every charge, and it was but right that it should be made responsible, now, for the national debt. Then came the Honourable Member for the North Riding of Yorkshire. His remedy, we know, is a rise of prices.

The Honourable Gentleman, the Member for Birmingham, has not yet spoken; I know not whether he still adheres to the plan which he recommended in 1817 for an unlimited depreciation of the standard, and whether he still maintains

the proposition which he then maintained, that you always ought to take the market-price of bullion as the criterion of value, and that you might go on issuing bank-notes, and raising that market-price, even until you made the guinea pass for 100*l.* or 200*l.*, without causing injury to any one—except, possibly, the public annuitant, who should take care of himself, or of whom the Government might take care.

Mr. ATTWOOD.—Provided you raised prices to the war level only.

SIR ROBERT PEEL.—I believe there was no such qualification; but if there was, it makes no difference. Now, perhaps, it might be right to add to the Committee some opponents of these six or seven Gentlemen; but send even them, alone, into a Committee, with the opinions they entertain, to consider this question,—to examine all the other questions which I have mentioned,—and I should like to ask what probability there would be of any practical remedy? You find a patient labouring under every disease; and for his cure you send for physicians entertaining totally opposite opinions on his case. Sangrado is summoned from Oldham, and Cuchilla from Birmingham. But what will be the condition of the patient meanwhile? why he will be utterly neglected, while the enraged doctors are debating about their principles, and cuffing each other.

Will the country believe that the real object of the Committee is any other than a depreciation of the standard? What will be the consequence on commercial transactions? Will any man sell an estate? If there be a prospect that in two months the sovereign will pass for 25*s.*, will not every man get the sovereign as soon as he can? If you send it forth to the world that you will have a vague inquiry, which will probably end in depreciation, the consequence, the inevitable consequence, will be, ruin to every debtor—to the class you intend to benefit. All debts that can be exacted without delay, will be,—and justly; for the debt, if contracted within the last eighteen years, was contracted in the improved currency. Every man who enforces the payment of such debts due to him will have not only law, but equity and honesty on his side. What will be the condition of the banks which have undertaken to discharge their promissory notes in gold, and to receive deposits of gold from their customers? Will not the depositors demand their deposits, and the holders of notes press for payment, without delay? Again, will any man advance 20,000*l.* in sovereigns, on a mortgage, when he is certain of being repaid in a depreciated currency? The question at issue is not depreciation or no depreciation. The Vice-President of the Board of Trade, in so describing

it, has stated it too unfavourably for his own argument ; the question is, whether depreciation shall be ultimately effected after a tedious protracted inquiry ? That is quite a different question from sudden depreciation. Such depreciation is bad enough, but, as the result of a lingering inquiry, it would be the greatest curse that was ever inflicted. What is the country suffering under ? I believe it to be suffering partly from the agitation connected with the political excitement of recent times, partly from a state of doubt and suspense as to the final settlement of great questions affecting our commercial policy. The Bank Charter is still under consideration, the East and West India questions are not yet arranged ; if to these causes of restlessness you are going to superadd doubts as to the standard,—if this be your remedy for calming the excitement that prevails, and mitigating the doubt and suspense that hang upon other unsettled questions,—for God's sake close your doors, and depart to your homes ; for your sittings here will throw chaos into worse confusion.

Sir, I shall now conclude. The subject is far from exhausted—but there are limits to the patience of the House. Before I sit down, let me make an earnest appeal to those whom I address, to weigh well the consequences of the vote they may give. If they foresee that injustice will be done by the unsettlement of the contracts of twenty years,—that confusion will arise—that commercial dealings will be paralyzed by doubts as to the future value of the currency ;—above all, if they see cause to apprehend that the wages of labour will not rise in any corresponding ratio with the rise of prices, and that, therefore, the condition of the labourer will be depressed,—let them reject the plausible appeal, “ that distress ought to be inquired into,” and refuse to do a great public wrong, though it be covered with a specious veil. I say respectfully, but firmly, that this is the manly course—this, the true fulfilment of a high and sacred trust. Doubtless, much consideration is due to the feelings and wishes of your constituents. To them you owe—as was truly said by that illustrious man, who, in comprehensive and philosophical views of all public affairs, and of the great principles of social government, surpassed all the statesmen who preceded him or who have followed—as much as some of them may have exceeded him, in the practical application of official knowledge and experience—“ to them you owe,” says Mr. Burke, “ the sacrifice of your time, and your pleasures, and your repose. But to them you do not owe the sacrifice, in the weightiest matters, of your mature and conscientious judgment.” That judgment is not their property, and

you abandon the first of duties, if, in deference to the wishes, you consent to sacrifice the interests of your constituents.

For what is it, Sir, that we are sent here? For what is it that we are placed on the mountain top, but that we may embrace a wider horizon within our view, and penetrate further than those upon the plain, through the mists and darkness which hang upon the future. Perform your duty—shew that you are not engaged in a mere “scuffling local agency,”—that you are fit to be intrusted with the destinies of an empire; and you will find your reward—my belief is, in the applause of your constituents—but, unquestionably, in the approbation of your own consciences. If you suffer, you will suffer in a noble cause, and you will be repaid with ample interest of honour and reputation for any temporary loss of popular favour. Read the controversy between Mr. Burke and his constituents in 1780, and judge of your reward by your own feelings of admiration and envy towards the repulsed and rejected candidate. They told him, “that his impolitic stubbornness would cost him his seat.” If you hear the same language, be prepared with his dignified reply—

I wished to be a Member of Parliament, to have my share of doing good and resisting evil. I deceive myself most grossly, if I would not much rather pass the remainder of my life hidden in the recesses of the deepest obscurity, feeding my mind even with the visions and imaginations of such things, than to be placed on the most splendid throne, tantalized with the practice of all which can make the greatest situation any other than the greatest curse.

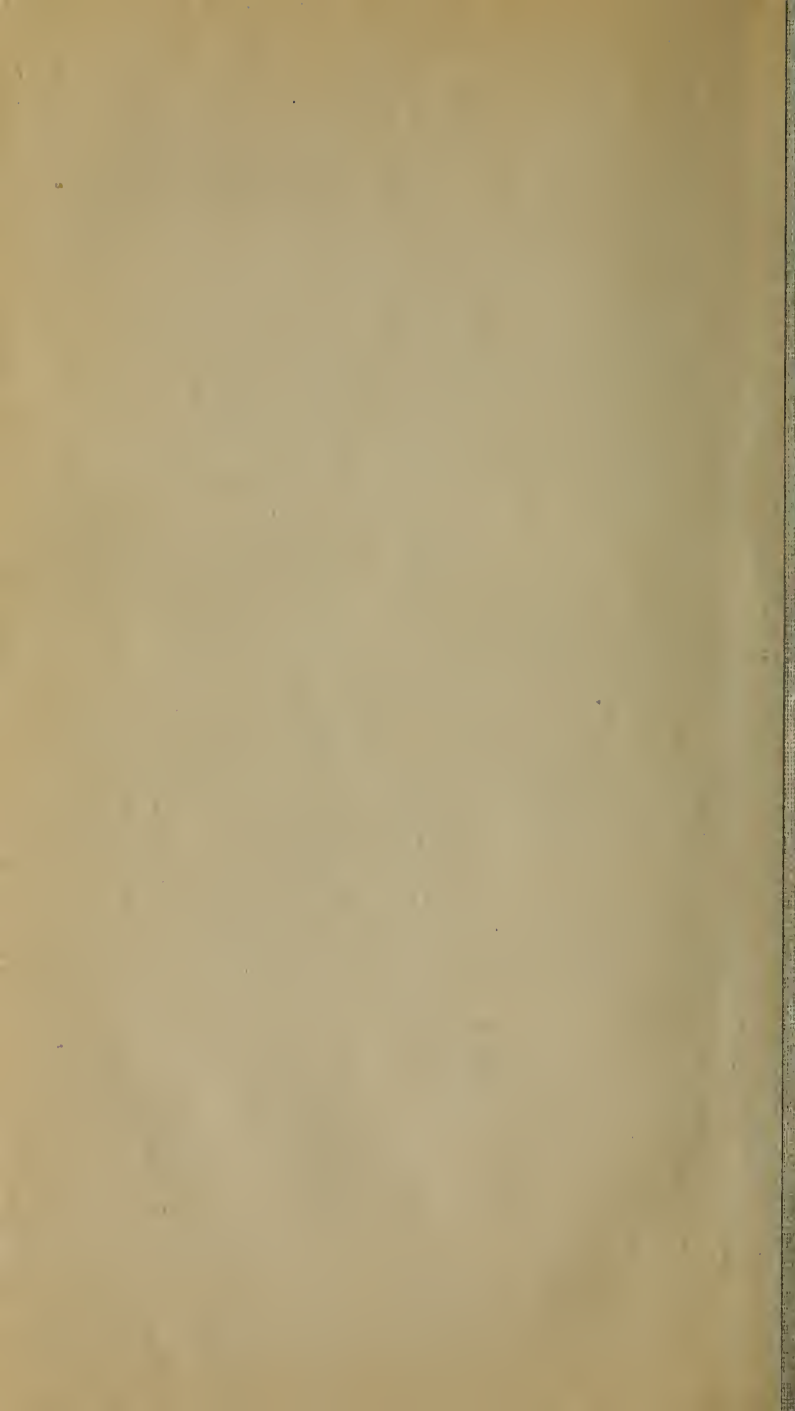
He stood before his constituents accused of no venality—of no neglect of duty—of no sacrifice of their interests to his ambition, or to their own hasty and inconsiderate views. The accusation against him was, that he had preferred to their wishes the dictates of his own humane, deliberate, enlightened judgment, and the true interests of the constituents themselves. Follow his example, and you may truly say with him, if you are obnoxious to a similar charge—

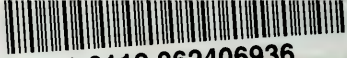
In every accident which may happen through life—in pain, in sorrow, in depression and distress—I will call to mind this accusation, and be comforted.

But my conviction is, that a different fate is reserved for you—that juster views are now taken of the duties which you are called upon to fulfil, and that the true way to secure the applause and lasting confidence of your constituents, is to claim, for yourselves and for them, the right to abide, in high matters like this, by the dictates of your own deliberate conviction.

L O N D O N :

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